



**DEPARTMENT OF THE TREASURY**  
**INTERNAL REVENUE SERVICE**  
**WASHINGTON, D.C. 20224**

MEMORANDUM FOR: Steven Musher  
Associate Chief Counsel (International)

FROM: Craig A. Sharon, APA Program Director

DATE: October 7, 2008

SUBJECT: APA Quarterly Report for FY 2008,  
Fourth Quarter Ending 09/30/08

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The following are the APA Program's results for the fourth quarter of FY 2008 ("Q4").

**APAs Completed**

The APA Program completed 22 APA matters in Q4, consisting of 5 unilateral APAs and 17 bilateral APAs.

**Negotiating-Position Papers**

The APA Program completed 4 bilateral negotiating position papers in Q4.

**Annual Reports**

The APA Program completed its review of and closed 97 annual reports in Q4.

**New Matters**

The APA Program received 40 new APA matters in Q4, consisting of 33 bilateral matters and 7 unilateral APA matters.

**APA Inventory**

The APA Program has an ending inventory of 292 open matters.<sup>1</sup> This consists of 246 bilateral and 46 unilateral matters.<sup>2</sup>

Attached for your information is the APA issuance report and open inventory reports as of September 30, 2008. Please contact me at (202) 435-5222 if any additional information is required.

Respectfully submitted,

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Craig A. Sharon  
APA Program Director

Attachments

cc: LMSB Commissioner  
Director, International  
National Director of Appeals  
LMSB Division Counsel

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1. This equals beginning Q4 inventory of 274 matters, plus 40 receipts, less 22 closures ( $274 + 40 - 22 = 292$ ).
  2. The 292 open matters include 25 pending dollar filings (22 bilateral and 3 unilateral). Thus
    - The APA Program has an inventory of 267 active cases, i.e., 292 open matters less 25 pending dollar filings.
    - The 267 active cases consist of 224 bilateral cases (246 total bilateral matters less 22 pending bilateral dollar filings) and 43 unilateral cases (46 total unilateral matters less 3 pending unilateral dollar filings).
    - The APA Program has forwarded 106 of the 224 active bilateral matters to Competent Authority. Thus, the APA Program has a current working inventory of 161 cases, consisting of 118 bilateral (224 active bilateral cases less 106 forwarded to Competent Authority) and 43 active unilateral cases.